



Indiana Department of Education

SUPPORTING STUDENT SUCCESS

April 6, 2009

Superintendents:

I write to you today to provide an important update on the distribution of American Recovery and Reinvestment Act (ARRA) funds and to outline the expectations established for the release of those funds. I cannot remind you often enough that these dollars are a one-time windfall that will last for a period of only two years. You must spend these dollars on projects that are self-sustaining or that add no long-term operating expenses. Together, we must do everything we can to avoid creating a cliff in education funding.

This week, the Indiana Department of Education ("IDOE") expects to receive access to grant awards for 50% of the Title I and IDEA Part B funds associated with ARRA. It is the priority of IDOE that these funds are swiftly disbursed, particularly with the May 1st deadline for reductions in force looming, but it is even more important that these dollars are wisely spent.

Among the many other reasons that require the judicious investment of these one-time dollars, these funds must be used effectively – and those uses must be carefully documented – so that Indiana is well-positioned to secure the remaining 50% of Title I and IDEA dollars and a good portion of the \$4.3B that will be available in Race to the Top funds later this year. The federal guidance is clear that the State's outcomes achieved through these early disbursements will be a key factor when Indiana is being evaluated for continued formula funding and Race to the Top grant awards. We look forward to demonstrating to our federal partners that Indiana schools have seized this opportunity and risen to the challenge to push harder and do more to raise student achievement in our state.

To ensure compliance with federal guidelines and expectations, each school district must sign and date the Education Reform and Fiscal Accountability Acknowledgements and Assurances and complete a brief Proposed Budget for each funding source that district will receive. All forms are available at <http://www.doe.in.gov/stimulus/>. IDOE will pre-populate the Proposed Budget for each district upon receipt of final allocation amounts from the federal government. Completed forms should be returned to IDOE via email at lrhodes@doe.in.gov or by mail to:

Lance Rhodes
Chief Financial Officer
Indiana Department of Education
151 West Ohio Street
Indianapolis, IN 46204

In addition to executing these Assurances and preparing a Proposed Budget, each district is responsible for establishing separate fund centers for the receipt and disbursement of this money. Federal guidelines do not permit districts to commingle ARRA funds with existing Title I or IDEA allocations. Based on our discussions with the State Board of Accounts, it is our understanding that they will provide necessary guidance no later

than the week of April 13th. **IDOE will make funds available to districts within three (3) days of receipt of executed Assurances and Proposed Budgets, after the federal government has made the money available to IDOE.**

As we receive further guidance from the U.S. Department of Education, we will share that with you. The IDOE stands ready to assist all of its constituents in developing ideas and plans that propel student achievement and comply with the rules and regulations outlined by the law. Additional information on the ARRA, including the detailed federal guidance relating to the use of Title I and IDEA funds distributed under ARRA, is also available on the IDOE website at <http://www.doe.in.gov/stimulus/>.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tony Bennett', with a stylized circular flourish at the beginning.

Dr. Tony Bennett
Superintendent of Public Instruction